



Transportation Finance Issues

How do Wisconsin's gasoline taxes and vehicle registration fees compare to other states?

Gasoline taxes and fees

All states (and the District of Columbia) assess excise taxes on gasoline. In addition, some states collect sales taxes on the purchase of gasoline. Other states collect business or franchise taxes and fees, and some states allow the collection of local taxes and fees on gasoline and/or the purchase of gasoline.

- Wisconsin does not levy state sales or business tax, or local taxes on gasoline.
- Twelve states have mechanisms in place that automatically adjust the tax rate levied on gasoline.

Wisconsin's current state *excise tax rate* dedicated to transportation purposes is 30.9 cents per gallon. When the state's petroleum clean-up program fee is added, total state taxes and fees collected at the pump is 32.9 cents per gallon – ninth highest in the nation.

- But Wisconsin's ranking drops to 12th nationally, when comparing states *including all local and state taxes and fees* on gasoline based on the rate charged in each state's largest city.
 - California, Illinois, Indiana, Hawaii, Michigan, Nevada, New York, North Carolina, Oregon, Rhode Island, and Washington State all assess *higher* overall taxes on gasoline than Wisconsin.

Passenger vehicle registration and registration-related fees and taxes

States typically charge vehicle registration fees as a flat fee, or based upon the vehicle's weight, age, horsepower, fuel type or value.

- Wisconsin and 28 other states assess the cost of registration as a flat fee.
- Some states levy additional registration-related fees or taxes.
- In many states, local units of government are authorized to assess taxes and fees on passenger vehicles
 - In Wisconsin three communities (Beloit, Mayville and Milwaukee) and one county (St. Croix) levy a local registration-related (wheel) tax on passenger vehicles.

Wisconsin has lower vehicle registration fees than many states

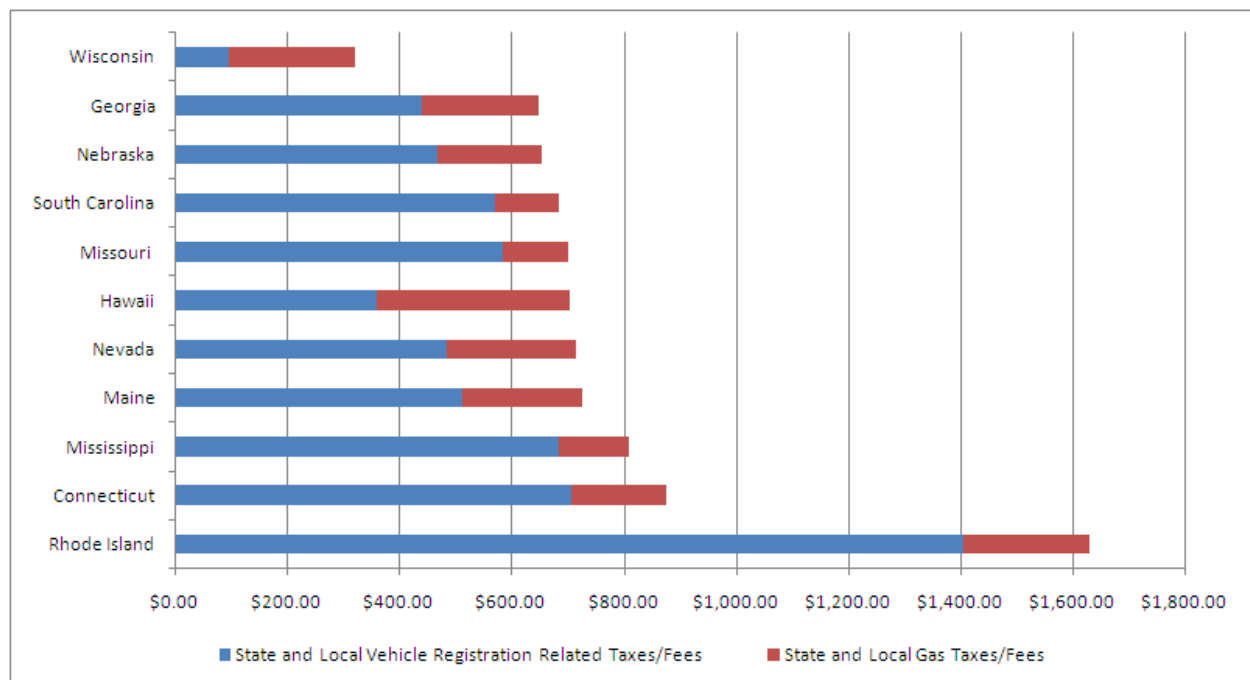
Wisconsin's \$75 passenger vehicle state registration fee ranks 10th highest in the nation for a late model sedan.

- But Wisconsin ranks 22nd highest when comparing the state registration fee, plus additional state fees based on vehicle value, weight, age, or other miscellaneous state fees collected at registration.
- And Wisconsin's rank falls further, to 36th nationally, when states are compared on *all registration charges levied* for both state and local registration-related costs (based on the rate charged in the state's largest city).

Wisconsin ranks low in overall transportation related vehicle costs

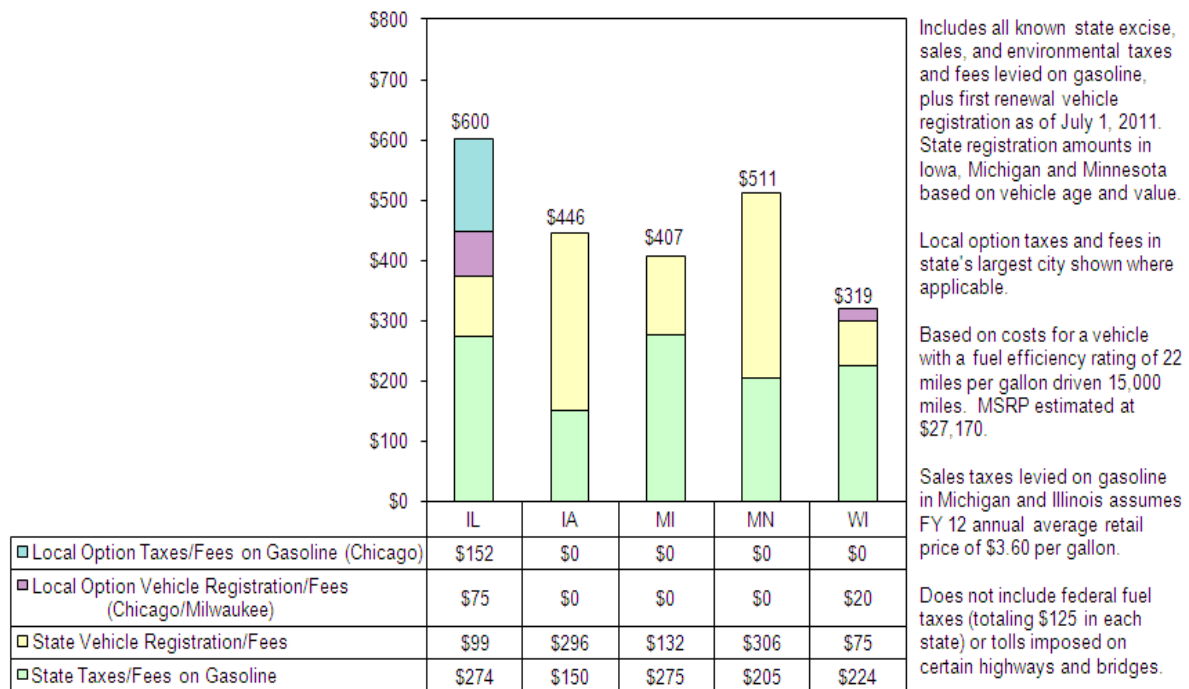
When the full range of annual taxes and fees on gasoline, and passenger vehicle registration and registration-related fees and taxes is considered, costs in Wisconsin are lower than 32 other states.

- These costs include annual state and local vehicle-related taxes and fees, and state and local taxes on gasoline.
- Wisconsin's annual cost of \$319 is less than half of the amount charged in the top ten states.



- Wisconsin ranks lowest among neighboring states when the combination of annual state and local gasoline taxes and fees, and state and local vehicle registration-related fees are compared.

Estimated Annual Fees & Taxes (2010 Mid-size Sedan)



- The gap between costs in Wisconsin and its neighboring states increases as vehicle value rises and fuel efficiency decreases.

Estimated Annual Fees & Taxes (2010 Full-size SUV w/4WD)

